INFORMATION MEMORANDUM

Province of Saskatchewan

(Canada)

Australian Medium Term Note Programme

Under the Medium Term Note Programme described in this Information Memorandum ("**Programme**"), the Province of Saskatchewan ("**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue medium term notes ("**Notes**").

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended ("Securities Act"). Notes may not be offered, sold or delivered within the United States or to or for the account of U.S. persons unless registered under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act and applicable U.S. tax law requirements are satisfied. For a description of certain restrictions on offers and sales of Notes and on distribution of this Information Memorandum, see the section headed "Selling Restrictions".

The Notes are not guaranteed by the Commonwealth of Australia.

Arranger

Royal Bank of Canada
(ABN 86 076 940 880)

Dealers

Royal Bank of Canada
(ABN 86 076 940 880)

The Toronto-Dominion Bank
(ABN 74 082 818 175)

4 May 2006

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IMPORTANT NOTICE

Terms used in this Important Notice have the meanings set out under "Summary of the Programme" below.

Responsibility

This Information Memorandum has been approved by the Issuer which has provided and accepts responsibility for the information contained in it. The Issuer has requested and authorised the distribution of this Information Memorandum.

The only role of the Arranger, the Dealers and the Registrar in the preparation of this Information Memorandum has been to confirm to the Issuer that the information as to their identity and their descriptions under the heading "Programme Summary" and their respective descriptions under the heading "Directory" are accurate as at the Effective Date (as defined below). Apart from the foregoing, the Arranger, the Dealers and the Registrar make no representation or warranty, express or implied, as to and assume no responsibility or liability for the authenticity, origin, validity, accuracy or completeness of, or any errors or omissions in, any information, statement, opinion or forecast contained in this Information Memorandum or in any accompanying, previous or subsequent material or presentation.

Documents incorporated by reference

This Information Memorandum should be read in conjunction with the information incorporated by reference (see the section headed "Documents Incorporated By Reference" below) together with any additional information distributed with this Information Memorandum and any further information authorised in writing by the Issuer to supplement or update that information (collectively referred to as "**Additional Information**"). In this Information Memorandum, unless otherwise expressly stated, references to "**Information Memorandum**" are to this Information Memorandum together with Additional Information and any other document incorporated by reference collectively and to any of them individually.

No independent verification

The Arranger, the Dealers and the Registrar have not independently verified any other information contained in this Information Memorandum than that mentioned above. Accordingly, no representation, warranty or undertaking is made or may be implied and no responsibility is accepted by the Arranger, the Dealers or the Registrar to or for the origin, accuracy, completeness or distribution of, or any errors or omissions from this Information Memorandum whether arising out of negligence or otherwise.

Independent advice

This Information Memorandum contains only summary information concerning the Notes. It is not a prospectus or other disclosure document for the purposes of the *Corporations Act 2001* of Australia ("**Corporations Act**") and is not intended to be and does not constitute an invitation by the Issuer, the Arranger or the appointed Dealers for applications or offers to subscribe for or buy any Notes, nor an offer of Notes for subscription or purchase. Accordingly, persons contemplating the purchase of Notes should make their own decision as to the sufficiency and relevance for their purpose of the information contained in this Information Memorandum, and their own independent investigation of the financial condition

and affairs, and their own appraisal of the creditworthiness of, the Issuer, after taking all appropriate advice from qualified professional persons. Any investment decision should be based on that decision, investigation and appraisal referred to above and not on this Information Memorandum.

The Arranger, the Dealers and the Registrar do not undertake to review the financial condition or affairs of the Issuer at any time or advise any holder of a Note of any information coming to their attention with respect to the Issuer or the Notes (other than, in the case of the Registrar, as set out in the terms and conditions of the Notes).

Currency of Information

The information in this Information Memorandum and any Additional Information have been prepared and are correct as of its respective Effective Date (as defined below). The delivery at any time after the Effective Date of this Information Memorandum or any part of this Information Memorandum does not imply that the information contained in this Information Memorandum or that part of this Information Memorandum is correct at any time subsequent to the Effective Date. Accordingly, neither the delivery of this Information Memorandum (or any part thereof) nor any offer or sale of Notes implies or should be relied upon as a representation or warranty that:

- there has been no change since the relevant Effective Date in the affairs or financial condition of the Issuer; or
- the information contained in this Information Memorandum or any part thereof remains correct at any time after its respective Effective Date.

Without limiting this general statement, the Issuer has agreed to promptly notify the Arranger and the Dealers if at any time during the term of the Programme it is aware of any fact, condition, matter or thing which renders anything contained in this Information Memorandum inaccurate, incomplete, misleading or deceptive in any material respect. The Issuer may subsequently direct the Dealer to withdraw this Information Memorandum and the Issuer must ensure that a new Information Memorandum (or a supplement to the existing Information Memorandum) is prepared and made available for use in any subsequent offering of Notes.

In this Information Memorandum, "**Effective Date**" means in relation to:

- this Information Memorandum, 4 May 2006; and
- any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on the face of the item of information as being the date of its release or the date to which it relates, as the case may be.

No authorisation

No person is authorised to give any information or to make any representation which is not contained in this Information Memorandum and any information or representation not contained in this Information Memorandum must not be relied upon as having been authorised by or on behalf of the Issuer, the Arranger or any of the Dealers.

Distribution

The distribution of this Information Memorandum and the offering or sale of Notes in certain jurisdictions may be restricted by law. The Issuer, the Arranger, the Dealers and the Registrar do not represent that this Information Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by any of those parties which would permit a public offering of any notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Information Memorandum comes must inform themselves about and observe all such restrictions.

In particular, a person may not (directly or indirectly) offer for subscription or purchase or issue an invitation to subscribe for or buy Notes nor distribute this Information Memorandum, in the Commonwealth of Australia or to any resident in the Commonwealth of Australia, except under the circumstances where the offer or invitation or issue for which no disclosure is required pursuant to Part 6D.2 of the *Corporations Act 2001* of Australia ("**Corporations Act**") and complies with any other applicable laws, regulations or directives.

No registration or distribution in the United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to U.S. tax requirements. Accordingly, subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S persons.

References to ratings

There are references in this Information Memorandum to the rating of the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.

Disclosure of interest

In accordance with the provisions of the Corporations Act, the Arranger, each Dealer and Austraclear Services Limited (the "**Registrar**") each disclose that it, its respective subsidiaries, directors and employees;

- may have pecuniary or other interests in the Notes; and
- will receive fees, brokerage and commissions and may act as principal in any dealing in the Notes.

References to currencies

Unless otherwise indicated, all references hereinafter in this Information Memorandum to "**AUD**" or "**A$**" are to the currency for the time being of the Commonwealth of Australia and all references to "**Can $**"and "**$**" are to Canadian dollars.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference in, and form part of, this Information Memorandum:

- the Issuer's most recent Annual Report on Form 18-K for the year filed with the US Securities Exchange Commission ("**SEC**"), as amended or supplemented from time to time by subsequent filings with the SEC;

- the most recently published audited financial statements of the Issuer from time to time, any quarterly updates published by the Issuer since the date of those audited financial statements and the most recent budget of the Issuer;

- all amendments and supplements to this Information Memorandum published by the Issuer from time to time and stated to be incorporated in this Information Memorandum by reference including a Pricing Supplement; and

- all documents issued by the Issuer and stated to be incorporated in this Information Memorandum by reference.

Any statement contained in this Information Memorandum or in any of the documents incorporated by reference in, and forming part of this Information Memorandum, shall be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement.

Copies of documents incorporated by reference may be obtained from the office of the Issuer at its office set out in the section headed "Directory".

DESCRIPTION OF THE ISSUER

Introduction

The Province of Saskatchewan ("Saskatchewan" or the "Province") was established as a province of Canada in 1905. Saskatchewan is centrally located in Western Canada and is bordered by the provinces of Manitoba to the east and Alberta to the west. The Province shares its 650 kilometre southern border with the American states of North Dakota and Montana and its 450 kilometre northern border with the Northwest Territories of Canada. With a 1,250 kilometre distance from north to south, Saskatchewan covers an area of 652,330 square kilometres.

Constitutional Framework of Canada

Canada consists of a federation of ten provinces with a constitutional division of powers between the federal and provincial governments. Canada was established by the *Constitution Act, 1867*, an Act of the Parliament of the United Kingdom, and by later enactments including the *Constitution Act, 1982*, which transferred jurisdiction over the Constitution of Canada (the "Constitution") from the United Kingdom to Canada.

Various constitutional issues have been under discussion in Canada for a number of years. On August 20, 1998, in response to a reference from the Federal government, the Supreme Court of Canada ruled that under the Constitution of Canada and international law, Quebec may not secede unilaterally from Canada, but that if the people of Quebec voted to secede by a clear majority vote on a clear question, the other provinces and the Federal Government would be obliged to enter negotiations with Quebec with respect to secession, such negotiations to be guided by constitutional principles, including federalism, democracy, constitutionalism and the rule of law, and the protection of minorities.

Under the Constitution, each provincial Legislature has exclusive authority to borrow money on the sole credit of that province and the authority to raise revenue for provincial purposes through direct taxation within its territorial limits. Legislatures can also raise revenue through taxation in respect of non-renewable natural resources, forestry resources and sites and facilities for electricity production and generation. Each province owns minerals and other resources on its provincial Crown lands and may own sub-surface resources on its other lands. Each province has the right to levy royalties on all lands and minerals which it owns. Each province has the legislative authority to regulate the exploration for and development, conservation and management of non-renewable natural resources, forestry resources and electricity generation. Each province also has legislative authority in the areas of education, health, social services, property and civil rights, natural resources, municipal institutions and generally all matters of a purely local or private nature.

The Parliament of Canada is empowered to borrow money and to raise revenue by any mode or system of taxation. Parliament has legislative authority over, among other things, the federal public debt and federal property, the regulation of trade and commerce, currency and coinage, banks and banking, bankruptcy and insolvency, navigation and shipping, foreign affairs, defence, postal service and unemployment insurance. It also has authority over matters not assigned to the provincial legislatures.

Provincial Government

The executive power in the Province of Saskatchewan is vested in the Lieutenant Governor acting upon the advice of the Executive Council, which is responsible to the Legislative Assembly. The Lieutenant Governor is appointed by the Governor General of Canada in Council and the Governor General in turn is appointed by a commission under the Great Seal of Canada. The Executive Council, which includes the Premier and the Ministers of Departments of the Provincial Government, is appointed by the Lieutenant Governor on the

nomination of the leader of the political party which forms the Government. Members of the Executive Council hold seats in the Legislative Assembly.

Saskatchewan's Legislative Assembly has 58 seats and is elected for a term of five years, subject to earlier dissolution by the Lieutenant Governor acting in accordance with constitutional principles. The Legislative Assembly is usually dissolved by the Lieutenant Governor on the recommendation of the Premier. The most recent Provincial election was held on November 5, 2003, and resulted in a majority for the New Democratic Party as the Government of Saskatchewan. The representation in the Legislative Assembly at April 10, 2006 was as follows: New Democratic Party, 30 seats; Saskatchewan Party, 27 seats; and, 1 vacant seat.

Economic Structure

Saskatchewan has a modern, open and diversified economy. Approximately two-thirds of the total value of all goods and services produced in the Province are exported. Major exports include grains, oilseeds, crude oil, potash, natural gas, uranium and manufactured goods. While many of the goods and service producing industries are directly or indirectly related to agriculture and natural resources, the Provincial economy continues to diversify into information age activities such as high technology, bio-technology and financial and other services. The Province's abundance of renewable and non-renewable resources has made it the largest producer of wheat, second largest producer of crude oil and third largest natural gas producer in Canada. Saskatchewan is also one of the world's leading suppliers of potash and uranium.

Finances of the Government

The Saskatchewan Government ("Government") has general authority for the administration of provincial activities and functions within the Province. Responsibility for a variety of such activities and functions has been ceded to local government bodies and agencies under authority of a number of provincial statutes. Responsibilities of the Government not ceded to local government bodies are carried out directly by the Government and through a number of funds and provincial Crown corporations.

The General Revenue Fund financial statements have been designed primarily to provide an accounting of the financial resources appropriated by the Saskatchewan Legislative Assembly. The General Revenue Fund is the general fund of the Government to which all public monies received are credited except where the Legislative Assembly has directed otherwise. Substantially all of the debt of the Government is incurred pursuant to *The Financial Administration Act, 1993* and is repayable from the General Revenue Fund.

The General Revenue Fund financial statements are not intended to be summary financial statements that provide a full accounting of the financial affairs and resources of all the entities for which the Government is responsible. Only those transactions pertaining to the receipt of money from or payment of money to the General Revenue Fund are reflected in these statements. The financial transactions of other Crown entities, such as provincial Crown corporations, agencies, boards, and commissions, are reported separately from the financial transactions of the General Revenue Fund. See the "Government of Saskatchewan Summary Financial Statements" contained within Volume 1 of the Public Accounts.

A variety of special purpose and other funds are administered by the Government. Included within these funds are pension plans, funds held in trust for third parties under various arrangements and special purpose funds. The assets, liabilities and residual balances of these funds are maintained and reported separately from those of the General Revenue Fund.

The General Revenue Fund's fiscal year begins on April 1 and ends on March 31. Revenue is recorded on the accrual basis except for receipts from the federal government for corporate and personal income taxes. Expenses are recorded on an accrual basis except for defined benefit pension plan costs.

During 2004-05 the Government adopted new standards of accounting for non-financial assets recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Under the new recommendations, tangible capital assets, inventories for consumption and prepaid expenses are recorded as non-financial assets and the cost of the use of these assets is recorded as an expense. Prior to 2004-05, expenditures included the cost of tangible capital assets and inventories received during the year.

Each year the Minister of Finance presents a budget to the Legislative Assembly that provides estimates of the Government's planned activities during the fiscal year for the General Revenue Fund. The estimates of expenses in each fiscal year are voted by the Legislative Assembly, with the exception of those expenses for which provision has been made previously by legislation, such as amounts required to service the debt of the Government.

The accounts and financial statements of the Province are examined by the Provincial Auditor who is responsible to the Legislative Assembly and is required to make a report to the Legislative Assembly with respect to each fiscal year.

Governing Law and Courts having Jurisdiction

The Issuer has agreed that the Notes and related agreements will be governed by the laws in force in New South Wales, Australia.

The Issuer has irrevocably and unconditionally submitted to the non-exclusive jurisdiction of the courts of New South Wales and courts of appeal from them for the purposes of any legal action, suit or other proceeding relating to the Notes. In the absence of an actual submission by the Issuer to the courts of New South Wales once an action against the Issuer has been commenced in such court, it is possible that the submission by the Issuer in the Terms and Conditions of the Notes and in the related agreements may not be wholly effective.

The Issuer has appointed the Consul-General and Senior Trade Commissioner of the Consulate-General of Canada in Sydney as those positions are filled from time to time, severally, as its agent for the purpose of accepting service of process and other judicial documents in New South Wales in connection with any such legal action, suit or other proceeding instituted in New South Wales, Australia. So long as any of the Notes are outstanding, the Issuer has agreed to ensure that there is an agent appointed to accept service of process on its behalf in New South Wales, Australia in respect of any legal action, suit or other proceedings relating to the Notes as may be brought in the courts of New South Wales, Australia or the courts of appeal from them.

If a Noteholder were to obtain a final and conclusive judgment *in personam* against the Issuer in a New South Wales court for payment of a sum certain of principal or interest due under the Notes which judgment is not impeachable as void or voidable under the internal laws of New South Wales, the Noteholder could seek to enforce that judgment in the Province of Saskatchewan by bringing an action on the judgment in a court of competent jurisdiction in the Province of Saskatchewan if:

(a) the court rendering such judgment had jurisdiction over the Issuer, as recognised by the courts of the Province of Saskatchewan;

(b) such judgment was not obtained by fraud or in a manner contrary to natural justice or contrary to any order made by the Attorney General of Canada under the Foreign *Extraterritorial Measure Act* (Canada) or any order made by the Competition Tribunal under the *Competition Act* (Canada) in respect of certain judgments (as defined or referred to);

(c) the enforcement of such judgment does not constitute, directly or indirectly, the enforcement of foreign revenue, expropriatory, penal or similar laws;

(d) no new admissible evidence, right or defence relevant to the action is discovered prior to rendering of judgment by the courts of the Province of Saskatchewan;

(e) there has been compliance with applicable limitations laws,

and in which action the judgment would be expressed only in Canadian currency and which action would be subject to *The Foreign Judgments Act* (Saskatchewan) which provides, amongst other things, that it is a sufficient defence to such an action that:

(a) the Issuer was not duly served with the process of the original court and did not appear, notwithstanding that it agreed to submit to the jurisdiction of the court;

(b) the judgment is for payment of a penalty or a sum of money due under the revenue laws of the foreign country; or

(c) the judgment is in respect of a cause of action that, for reasons of public policy or for some similar reason, would not have been entertained by the courts of the Province of Saskatchewan.

Proceedings against the Issuer relating to the Notes may also be brought in any competent court in the Province of Saskatchewan and no applicable law requires the consent of any public official or authority for proceedings to be brought or judgment to be obtained against the Issuer arising out of or relating to the Notes. A Noteholder need not be a resident of the Province of Saskatchewan or a citizen of Canada in order to bring such an action.

Any action or proceedings against the Issuer in the Province of Saskatchewan will be governed by *The Proceedings Against the Crown Act* (Saskatchewan). Any order obtained in an action brought in the courts of the Province of Saskatchewan against the Issuer may not be enforced by execution or attachment or process in the nature thereof and the remedies of specific performance and injunction are unavailable against the Issuer. However, under *The Proceedings Against the Crown Act* (Saskatchewan), if such an order provides for the payment of money by way of damages or otherwise, or of costs, the Minister of Finance of the Province of Saskatchewan shall pay out of the general revenue fund the amount payable under the order, provided that payment may be suspended by court order pending an appeal or otherwise.

In the event of proceedings against the Issuer relating to the Notes, the courts of the Province of Saskatchewan would, subject to the choice of the laws of New South Wales being held to be bona fide, legal and not contrary to public policy in the Province of Saskatchewan, and to the extent specifically pleaded and proved as a fact by expert evidence, recognize and apply the laws of New South Wales to all issues which, under the conflict of law rules of the

Province of Saskatchewan are to be determined in accordance with the proper or governing law of a contract, except that in any such proceedings the court will apply those laws of the Province of Saskatchewan which it characterizes as procedural and will not apply those laws which it characterizes as of a revenue, expropriatory, penal or similar nature or which would be contrary to public policy. A court of the Province of Saskatchewan, however, has an inherent power to decline to hear such an action if it is contrary to public policy for it do so or if it is not the proper forum to hear such an action, or if concurrent proceedings are being brought elsewhere.

The *Currency Act* (Canada) precludes a court in Canada from giving a judgment in any currency other than Canadian currency and such judgment may be based on a rate of exchange in existence on a day other than the date of payment. A currency indemnity is being provided by the Issuer as set out in Condition 7.6 of the Terms and Conditions of the Notes.

Neither a corporate Noteholder nor any corporate party to a related agreement will be capable of commencing or maintaining an action or other proceeding in a court in Saskatchewan in respect of a contract made in whole or in part in Saskatchewan in the course of, or in connection with, its business until it is registered under *The Business Corporations Act* (Saskatchewan), unless it has been incorporated by or under an Act of the Parliament of Canada.

The Limitations Act (Saskatchewan) provides that a proceeding shall not be commenced in respect of a claim after two years from the day on which the claim was discovered. A claim is discovered on the day on which the person with the claim first knew, or in the circumstances ought to have known, that the injury, loss or damage had occurred, that it was caused by or contributed to by an act or omission that is the subject of the claim, that the act or omission appeared to be that of the person against whom the claim is made and that a proceeding would be an appropriate means to seek a remedy. The Act also provides that no proceeding with respect to a claim based on a judgment or order shall be commenced after 10 years from the date of the judgment or order, and no proceeding with respect to most other claims to which a limitation period applies shall be commenced after 15 years from the day on which the act or omission on which the claim is based took place.

Condition 10 of the Notes provides that a claim against the Issuer for a payment under a Note is Void unless made within two years from the date the amount claimed first became due.

Material Litigation

There is an action by the Metis Nation of Saskatchewan against the Province and Canada claiming approximately 145,000 square kilometres of land in northwestern Saskatchewan, as well as claiming additional unspecified damages, based on a claim of unextinguished aboriginal title. The action is currently stayed as a result of the failure of the Metis to comply with a court order requiring them to disclose the historical documents that they are relying on in support of their claim and it is unclear if or when the matter will proceed to trial. The Province's counsel is of the opinion that the claim has little chance of success since Metis claims to aboriginal title were extinguished by federal government action in the early 1900s and the Metis also can not show the exclusive possession of the lands necessary for a claim of aboriginal title. Even if the claim is successful, the Province's counsel is of the opinion the land involved would be no more than a small fraction of the land claimed, and certainly not more than 10 percent. Based on past settlements with Indian Bands, it is anticipated that the cost of any final judgment would be shared approximately equally between the Province and Canada, although Canada will likely argue that this is exclusively a provincial responsibility.

There is an action by the Stoney Indian Band against the Province and Canada claiming unextinguished Aboriginal title over a large part of south-western and west-central Saskatchewan (approximately 1/6th of the geographic area of the Province). The Band is also seeking an accounting for all profits made by the governments from the exploitation of natural resources within the claim area and unspecified damages. The Band has similar claims in Alberta and British Columbia. The Statement of Claim was served in 2004 and the Province has not yet filed a Statement of Defence. As the case is still at a preliminary stage, it is impossible to predict its outcome. However, an initial review of relevant historical materials suggests that the lands in question were traditionally considered to be the lands of either the Cree or the Blackfoot Nations and not the Stoney's, in which case their claim should not succeed.

PROGRAMME SUMMARY

The following is a summary only and should be read in conjunction with the rest of this Information Memorandum, including the document incorporated by reference on the forms most recently published. The Terms and Conditions of the Notes are contained in the Deed Poll. If there is any inconsistency between the Programme Summary and the Terms and Conditions, the Deed prevails.

Issuer:	Province of Saskatchewan
Programme:	A non-underwritten medium term note programme.
Programme Limit:	There is no Programme Limit. However, the aggregate principal amount of Notes that may be issued under the Programme must not exceed the aggregate principal amount authorised from time to time pursuant to *The Financial Administration Act, 1993* and any other applicable statute of Saskatchewan for issuance of Notes under the Programme.
Arranger:	Royal Bank of Canada (ABN 86 076 940 880)
Dealers:	Royal Bank of Canada (ABN 86 076 940 880) The Toronto Dominion Bank (ABN 74 082 818 175) Additional Dealers may be appointed from time to time by the Issuer in respect of a Tranche of Notes or to the Programme generally. A Dealer may be removed by the Issuer on 10 days notice to that Dealer. The Issuer may also issue Notes directly to purchasers or investors (as applicable) procured by it.
Registrar:	Austraclear Services Limited (ABN 28 003 284 419) ("**Austraclear Services**") or any other persons appointed by the Issuer to establish and maintain the Register (as defined below) on the Issuer's behalf from time to time.
Issuing and Paying Agent:	Austraclear Services or any other persons appointed by the Issuer to perform issuing and paying agency functions.
Rating:	As at the date of this Information Memorandum, the rating for foreign currency debt issued by the Issuer is AA- by Standard & Poor's, a division of the McGraw-Hill Companies Inc., and Aa2 by Moody's Investors Service. Notes issued under the Programme will receive a rating consistent with that of the foreign currency rating of the Issuer at the time of issuance. Structured Notes may have a different credit rating to the other Notes. Where an individual Tranche or Series of Notes is rated, the rating may not necessarily be the same as the ratings specified above.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.

Form: Notes issued by the Issuer will be in registered certificated form. They will be debt obligations of the Issuer which will be represented by one or more Note Certificates substantially in the form set out in Annexure D to the Note Deed Poll dated 4 May 2006 (as amended and/or supplemented from time to time ("**Note Deed Poll**"), issued for each Tranche of Notes pursuant to the Terms and Conditions of the Notes, the details of which are recorded in the Register.

Austraclear Limited (ABN 94 002 060 773) ("**Austraclear**") as operator of the Austraclear System (as defined below) will be the registered holder named in each Note Certificate issued in respect of the Notes lodged in the Austraclear System.

The Registrar will maintain a register of the Noteholders.

Currency: Notes will be issued in Australian dollars.

Distribution: Notes may be distributed by way of public or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be stated in the relevant Pricing Supplement.

Title: Entry of the name of the person in the Register as the registered holder of a Note Certificate constitutes the obtaining and passing of title to the Notes represented by that Note Certificate and it is conclusive evidence that the person so entered is the absolute owner of the Notes subject to correction for fraud or error. Title to those Notes passes when details of the transfer are entered in the Register.

Interests in respect of Notes held in the Austraclear System (as defined below) will be determined in accordance with the rules and regulations of that system.

No certificates or other evidence of title will be issued to persons holding interests or rights lodged in the Austraclear System.

Settlement: Application will be made to Austraclear to permit members to settle purchases and sales through the settlement system operated by Austraclear ("**Austraclear System**") in accordance with Austraclear's rules and regulations.

Status: The Notes will constitute direct, unsecured debt obligations of the Issuer and will rank without preference or priority among themselves and at least pari passu with all other existing unsecured borrowings of the Province other than debt mandatorily preferred by law.

The Notes are not guaranteed by the Commonwealth of Australia.

Denominations: Notes will be issued in denominations specified in the Pricing Supplement.

Negative pledge: None.

Cross default: None.

Issuance procedures: Notes may be issued to Dealers at the discretion of the Issuer by any of the following methods:

- private placement;
- competitive bidding; or
- unsolicited bids.

Tenor: As specified in the relevant Pricing Supplement.

Purchase Price: Notes may be issued at par or at a discount or premium to their Principal Amount as specified in the relevant Pricing Supplement.

Transfer procedure: Notes may only be transferred in whole in the single denomination specified in the relevant Pricing Supplement.

Notes may only be transferred if the offer or invitation giving rise to the transfer does not constitute an offer or invitation for which disclosure is required to be made to investors under Part 6D.2 of the *Corporations Act 2001* of Australia ("**Corporations Act**"), the transferee is not a "retail client" within the meaning of section 761G of the Corporations Act and if the transfer complies with any applicable law or directive of the jurisdiction where the transfer takes place.

Interests in respect of Notes held in the Austraclear System are transferable only in accordance with the rules and regulations of the Austraclear System.

Notes (but not including interests in respect of Notes held in the Austraclear System) may only be transferred by completing and delivering to the Registrar a signed transfer form and the Note Certificate in compliance with all applicable laws.

Governing Law: The Notes, and all related documents, will be governed by the laws in force in New South Wales.

Use of Proceeds: Unless otherwise specified in the applicable Pricing Supplement, the net proceeds to be received by the Issuer from the sale of Notes will be paid into the General Revenue Fund of the Issuer and will be used for the purposes for which moneys may be borrowed under *The Financial Administration Act, 1993.*

Stamp Duty:	All stamp duties and other costs payable on the issue of Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the relevant investors. As at the date of this Information Memorandum, no Australian stamp duty is payable on the issuance of the Notes or any transfer of Notes, where the transfers occurs for full market value. Investors are advised to seek independent advice regarding any stamp duty or other taxes imposed by another jurisdiction upon the transfer of Notes, or interest in Notes, in any jurisdiction outside Australia.
Withholding tax:	All payments with respect to the Notes will be made free and clear of withholding or deduction for or on account of any taxes or other charges imposed by any governmental authority or agency in Canada, except as provided in Condition 8.3 of the Notes.
Canadian Income Tax:	An overview of the Canadian taxation treatment of payments of interest on the Notes and certain other matters is set out under the section entitled "Canadian Income Tax Considerations" below. However, investors should obtain their own taxation advice regarding the taxation status of investing in Notes.
Interest:	Notes may be interest bearing or non-interest bearing. Interest (if any) may accrue at a fixed or a variable rate and may vary during the life of a Series.
Payments:	Payments of principal and interest under the Notes will be made to the persons whose names are entered in the Register ("**Noteholders**"). While the Notes are lodged in the Austraclear System, Austraclear Limited will be the registered person in the Register and will, in turn, make payments and arrange transfer to relevant account holders in accordance with the Austraclear Regulations.
Redemption:	Notes may be redeemed before their stated maturity as described in the Terms and Conditions of the Notes. Early Redemption will be permitted for taxation reasons as provided in the Terms and Conditions of the Notes. Notes held in Austraclear System will be redeemed through the Austraclear System in a manner consistent with the rules and regulation of the Austraclear System.
Listing:	Application may be made for the Issuer to be granted admission to the official list of the ASX as a debt issuer and for one or more Series issued under the Programme to be listed on the Australian Stock Exchange. Notes which are listed on the Australian Stock Exchange will not be transferred through or registered on the Clearing House Electronic Subregister System ("**CHESS**") and will not be "Approved Financial Products". In the event that an

interface between the Register maintained by the Registrar and CHESS is established the Transaction Documents may be amended to facilitate settlement on CHESS and so that the Notes will become "Approved Financial Products" for the purposes of CHESS. Notes may be transferred in the Austraclear System.

Selling Restrictions: There will be specific restrictions on the offer and sale of Notes and the distribution of offering materials in Australia, Canada, the United States of America, the United Kingdom, Hong Kong, Japan, New Zealand, Singapore and the European Economic Area and such other restrictions as may be required under applicable law in connection with the offering and sale of a particular Tranche of Notes.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions which, subject to modification, variation or replacement by a Pricing Supplement, will be applicable to each Note represented by a Note Certificate.

Each Noteholder and any person claiming through or under a Noteholder is deemed to have notice of, and is bound by, these Terms and Conditions (as modified, varied or replaced by the relevant Pricing Supplement), the Deed Poll (as amended and supplemented from time to time) and the Information Memorandum. A copy of the Deed Poll is available for inspection by Noteholders during normal business hours at the offices of the Issuer and the Registrar.

INTERPRETATION

1.1 **Definitions**

Additional Amount means an additional amount payable by the Issuer under Condition 8.2.

Agency and Registry Services Agreement means the agreement dated on or about the date of the Deed Poll between the Issuer and the Registrar providing for agency and registry services in relation to the relevant Notes.

Amortised Face Amount of a Note means an amount equal to the sum of:

(a) the Settlement Price specified in the Pricing Supplement; and

(b) the product of the Amortisation Yield specified in the Pricing Supplement (compounded annually) being applied to the Settlement Price from (and including) the Issue Date specified in the Pricing Supplement to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of the Day Count Fraction specified in the Pricing Supplement for the purposes of this definition.

Amortisation Yield for a Note which is non-interest bearing is the yield (expressed as a percentage per annum) specified as such in, or determined in accordance with the provisions of, the Pricing Supplement.

Applicable Reference Date means the date for determining the Variable Indexed Amount, being:

(a) 5 Index Business Days before the Maturity Date;

(b) where a Note is to be redeemed before its Maturity Date, 5 Index Business Days before the date of redemption; or

(c) for the purpose of calculating the aggregate Outstanding Principal Amount from time to time of Notes which have been issued but not redeemed or otherwise discharged in full, the date of calculation.

Austraclear means Austraclear Limited ABN 94 002 060 773, its successors and assigns.

Austraclear Regulations means the regulations known as the "Regulations and Operating Manual" established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System.

Austraclear System means the system operated by Austraclear for holding securities and electronic recording and settling of transactions in those securities between members of that system.

Business Day means a day on which banks are open for general banking business in Sydney and in each (if any) Relevant Financial Centre specified in the Pricing Supplement (not being a Saturday, Sunday or public holiday in that place) and, if a Note is to be issued or paid on that day, a day on which the Austraclear System is operating. Unless otherwise specified, "day" refers to a calendar day.

Business Day Convention means, with respect to a Tranche of Notes, the Business Day Convention specified in the Pricing Supplement for that Tranche of Notes and is a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day so that:

(a) **Following Business Day Convention** means that the date is adjusted to the first following day that is a Business Day;

(b) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the date is adjusted to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is the first preceding day that is a Business Day;

(c) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day; and

(d) **Floating Rate Business Day Convention** means that the date is postponed to the first following day that is a Business Day, unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day, and each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment.

If no Business Day Convention is specified in the Pricing Supplement for the Tranche of Notes then the Following Business Day Convention applies. Different Business Day Conventions (as specified in the Pricing Supplement) may apply, or be specified in relation to, any Tranche of Notes.

Calculation Agent means the Registrar or any other person appointed by the Issuer to act as the calculation agent in relation to a Series of Notes as specified in the Pricing Supplement.

Call Option means the right of the Issuer to redeem all or some only of the Notes outstanding in accordance with the Terms and Conditions on the Early Redemption Date(s) and at the Early Redemption Amount(s) specified in, or determined in accordance with, the applicable Pricing Supplement.

CHESS means the Clearing House Electronic Subregister System operated by Australian Stock Exchange Limited.

Day Count Fraction means, with respect to the calculation of an amount of interest on any Note for any period of time (the **Calculation Period**):

(a) if **Actual/365** or **Actual/Actual** is specified in the Pricing Supplement for the Note, means the actual number of days in the calculation period divided by 365 or, if any portion of the Calculation Period falls in a leap year, the sum of (I) the actual number of days in the portion of the Calculation Period falling in a leap year divided by 366; and (II) the actual number of days in the portion of the Calculation Period falling in a non-leap year divided by 365;

(b) if **Actual/Actual (ISMA)** is specified in the Pricing Supplement for the Note, means:

(i) if the Calculation Period (from and including the first day of such period but excluding the last) is equal or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (A) the number of days in such Determination Period and (B) the number of Interest Payment Dates that would occur in one calendar year (such Interest Payment Date a **Determination Date**); or

(ii) if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates that would occur in one calendar year, and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates that would occur in one calendar year;

(c) if **Actual/360** is specified in the Pricing Supplement for the Note, means the actual number of days in the Calculation Period divided by 360;

(d) if **Actual/365 (Fixed)** is specified in the Pricing Supplement for the Note, the actual number of days in the Calculation Period divided by 365;

(e) if **30E/360** or **Eurobond Basis** is specified in the Pricing Supplement for the Note, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date

of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

(f) if **30/360**, **360/360** or **Bond Basis** is specified in the Pricing Supplement for the Note, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month, but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month));

(g) if **RBA Bond Basis (Fixed)** is specified in the Pricing Supplement for the Note, one divided by the number of scheduled Interest Payment Dates in the year in which the Calculation Period falls (a year being each twelve month period on and from the Issue Date); and

(h) if another day count fraction is specified in the Pricing Supplement and "ISDA Definitions" are specified, the definition of such specified Day Count Fraction as specified in the 2000 ISDA Definitions, published by the International Swaps and Derivatives Association Inc.

Deed Poll means the Deed Poll dated 4 May 2006 executed by the Issuer in relation to the Programme in favour of Noteholders from time to time.

Determination Period means the period from (and including) a Determination Date to, but excluding, the next Determination Date.

Early Redemption Amount means in relation to a Note, the Outstanding Principal Amount or, if the Note is non-interest bearing, the Amortised Face Amount of that Note or such other redemption amount as may be specified in, or determined in accordance with the provisions of, the Pricing Supplement.

Early Redemption Date means in relation to a Note, any date prior to the Maturity Date on which a Note may be repaid at the option of the Issuer or at the option of the Noteholders, as set out in the applicable Pricing Supplement.

Fixed Rate Note means a Note which bears a fixed rate of interest.

Floating Rate Note means a Note which bears a floating rate of interest.

General Revenue Fund means the fund into which all public moneys belonging to the Issuer are generally deposited as defined in *The Financial Administration Act, 1993* as amended.

Government Agency means:

(a) a government or government department or other body;

(b) a governmental, semi-governmental or judicial person; or

(c) a person (whether autonomous or not) who is charged with the administration of a law.

Index means, in relation to an Indexed Note, the index which applies to that Note, as specified in the relevant Pricing Supplement.

Index Business Day means, in relation to an Index, a day on which banks are open for general banking business in the place where that Index is published.

Index Figure means the amount calculated by applying the Index to the facts relevant on the date the Variable Indexed Amount is calculated.

Indexed Note means a Note which provides that either the amount to be repaid on maturity or the interest to be paid on an Interest Payment Date, is to be calculated by reference to an index specified in the relevant Pricing Supplement.

Information Memorandum means the information memorandum dated 4 May 2006 relating to the Issuer's medium term note programme, as revised, supplemented or replaced from time to time.

Interest Commencement Date means the interest commencement date for the Note specified in, or determined in accordance with, the relevant Pricing Supplement.

Interest Payment Date means each interest payment date for the Note specified in, or determined in accordance with, the relevant Pricing Supplement and adjusted, if necessary, in accordance with the applicable Business Day Convention.

Interest Period means the period from and including an Interest Payment Date to but excluding the next Interest Payment Date provided that the first Interest Period commences on and includes the Interest Commencement Date and the final Interest Period ends on but excludes the Maturity Date or early redemption date.

Interest Rate means the interest rate for the Note specified in, or determined in accordance with, the relevant Pricing Supplement.

Issue Date means, with respect to a Note, the issue date specified in, or determined in accordance with, the relevant Pricing Supplement.

Issuer means the Province of Saskatchewan.

Margin means the margin specified in, or determined in accordance with, the relevant Pricing Supplement.

Maturity Date means, with respect to a Note, the maturity date specified in, or determined in accordance with, the relevant Pricing Supplement.

Maximum Interest Rate means, with respect to a Note, the maximum Interest Rate specified in, or determined in accordance with the provisions of, the relevant Pricing Supplement.

Maximum Redemption Amount means, with respect to a Note, the maximum redemption amount specified in the relevant Pricing Supplement.

Meeting Rules means the rules for the convening of meetings of, and passing of resolutions by, Noteholders set out in Annexure C to the Deed Poll.

Minimum Interest Rate means, with respect to a Note, the minimum Interest Rate specified in, or determined in accordance with the provisions of, the relevant Pricing Supplement.

Minimum Redemption Amount means, with respect to a Note, the minimum redemption amount specified in the relevant Pricing Supplement.

Note means a medium term note issued or to be issued under the Programme by the Issuer in registered certificated form which is represented by a Note Certificate issued pursuant to the Deed Poll in accordance with these Terms and Conditions, the details of which are recorded in the Register including, without limitation, a Fixed Rate Note, a Floating Rate Note, an Indexed Note, a Structured Note or a Zero Coupon Note (as further specified in the Pricing Supplement for the relevant Note) or a combination of the above.

Note Certificate means a certificate representing some or all of the Notes of a particular Series substantially in the form of Annexure D of the Deed Poll.

Noteholder means a person specified for the time being in an entry in the Register as the holder of a Note or, where a Note is owned jointly by one or more persons, the persons specified in the Register as the joint holders of the Note and, without limitation, if a Note is entered into the Austraclear System, means Austraclear acting on behalf of a member of the Austraclear System.

Outstanding Principal Amount means, with respect to a Note, the principal amount outstanding on that Note from time to time (being the face amount of the Note less any previous repayments and as varied by any indexation in respect of any Note the capital of which is indexed) and, for the purposes of calculating interest payable under the Note, will be the principal amount outstanding as at the first day of the Interest Period for which such interest is to be calculated (unless otherwise specified in the relevant Pricing Supplement).

Payment Date means, in respect of a Note, an Interest Payment Date, the Maturity Date or other relevant payment date (including an early payment date).

Pricing Supplement means, with respect to Notes of a Tranche, the Pricing Supplement based on the form of Annexure B to the Deed Poll, issued in relation to that Tranche.

Principal Amount of a Note means the face value of a Note on its Issue Date.

Programme means the uncommitted programme for the issuance by the Issuer of medium term notes described in the Information Memorandum and provided for in the Deed Poll.

Put Option means the right of any Noteholder to require the redemption of Notes held by such Noteholder in whole (but not in part) in accordance with the Terms and Conditions on the Early Redemption Date(s) and at the Early Redemption Amount(s) specified in, or determined in accordance with, the applicable Pricing Supplement.

Record Time means, in the case of payments of interest or principal, 5.00pm on the eighth calendar day, in respect of Notes, before the relevant date for payment.

Redemption Amount means, with respect to each Note, the Outstanding Principal Amount of that Note or such other redemption amount specified in, or determined in accordance with, the relevant Pricing Supplement.

Register means a register of entries in respect of the Issuer, which is maintained by the Registrar in accordance with these Terms and Conditions and the Agency and Registry Services Agreement and which specifies, amongst other things, the Series and details of the Notes issued by the Issuer, and the names, addresses and account details of Noteholders in respect of that issue.

Registrar means Austraclear Services Limited ABN 28 003 284 419 or such other person appointed by the Issuer to establish and maintain the Register on the Issuer's behalf from time to time in respect of any Notes.

Series means one or more Tranches of Notes the terms of which are identical except that the Issue Date and the amount of the first payment of interest may differ between Tranches, and the Notes in a Tranche may be in different denominations.

Settlement Price means the amount(s) payable on issue of that Note as set out in the Pricing Supplement.

Structured Note means a Note with characteristics which differ from or include some or all of the characteristics of Amortised Notes, Fixed Rate Notes, Floating Rate Notes, Indexed Notes or Zero Coupon Notes.

Tenor means, with respect to a Note, the number of days from and including the Issue Date to but excluding the Maturity Date.

Tranche means Notes which are issued on the same day and on the same terms, except the Notes in a Tranche may be in different denominations.

Variable Indexed Amount means, in relation to an Indexed Note, the capital of which is indexed, the amount calculated by reference to the Index Figure on the relevant Applicable Reference Date (or such other date agreed between the Issuer and the Noteholder on or before the Issue Date) and determined in accordance with the formula agreed between the Issuer and the Noteholder on or before the Issue Date of the relevant Indexed Note.

Zero Coupon Note means a Note which does not bear interest.

1.2 **Rules for interpreting these Terms and Conditions**

(a) The following rules apply in interpreting these Terms and Conditions, except where the context makes it clear that a rule is not intended to apply:

(b) Headings are for convenience only, and do not affect interpretation.

(c) A reference to:

(i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it; and

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;

(iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person;

(v) anything (including a right, obligation or concept) includes each part of it; and

(vi) a Condition is to a condition in these Terms and Conditions.

(d) A singular word includes the plural, and vice versa.

(e) A word which suggests one gender includes the other gender.

(f) If a word is defined, another part of speech has a corresponding meaning.

(g) The word **agreement** includes an undertaking or other binding arrangement or understanding, whether or not in writing.

(h) A reference to **A$** is a reference to the lawful currency of the Commonwealth of Australia.

2. FORM, DENOMINATION AND TITLE

2.1 Form

Notes issued by the Issuer will be in registered certificated form. They will be debt obligations of the Issuer which will be represented by one or more Note Certificates substantially in the form of Annexure D to the Deed Poll, issued for each Series of Notes pursuant to these Terms and Conditions (as amended and/or supplemented from time to time including, without limitation, pursuant to the relevant Pricing Supplement), the details of which are recorded in the Register.

2.2 No other certificates

No certificates or other evidence of title will be issued to persons holding interests or rights in Notes lodged in the Austraclear System or any other clearing system.

Neither the Issuer, the Registrar nor any other person acting for or on behalf of the Issuer will have any responsibility or liability for maintaining, supervising or reviewing any records of the Austraclear System relating to interests or rights in Notes lodged in the Austraclear System (including, for the avoidance of doubt, Notes

represented by a Note Certificate issued to Austraclear as registered holder) or for any aspect of the records of the Austraclear System relating to payments made by Austraclear on account of such interests or rights.

2.3 **Title from Register**

Each entry in the Register in respect of a Note:

(a) constitutes confirmation of:

(i) an unconditional and irrevocable undertaking by the Issuer to the Noteholder to pay principal, (if applicable) interest and any other amount payable by the Issuer in accordance with the Note Certificate representing the Note; and

(ii) an entitlement to the other benefits given to Noteholders under these Terms and Conditions in respect of the relevant Note;

(b) evidences a separate and independent obligation owing by the Issuer to the person so entered, which that person may enforce without joining any other Noteholder, any previous Noteholder, or the Registrar;

(c) subject to condition 2.6(b), evidences conclusively that the person so entered is the absolute owner of, and holder of title to, the Note, except:

(i) if more than one person is specified in the entry, the persons hold the Note as joint tenants (but no more than 4 persons may be specified in an entry);

(ii) the entry is subject to rectification for fraud or any manifest error made in the entry;

(iii) a subsequent entry in the Register with respect to the Note:

(A) terminates the indebtedness of the Issuer to the person previously specified in an entry in the Register with respect to the Note (the **Previous Holder**);

(B) releases the Issuer from its obligation to the Previous Holder; and

(C) vests absolute ownership in, and title to, the Note in the person specified in the entry, to the exclusion of the Previous Holder and other persons.

2.4 **Denomination**

Notes will be issued in denominations specified in the Pricing Supplement and specified in the Register.

2.5 **Location of Register**

(a) The Issuer agrees to appoint the Registrar under the Agency and Registry Services Agreement and procure that the Registrar establishes and maintains a

Register in Sydney (or such other place as the Issuer and the Registrar may agree) and otherwise in accordance with these Terms and Conditions in respect of the Notes issued by the Issuer.

(b) The Issuer will procure that the Registrar provides for the following details to be inscribed in the Register:

(i) the name, address and, if any, facsimile number of the Noteholder;

(ii) the number of Notes held by each Noteholder; and

(iii) the Principal Amount of each Note.

2.6 **Initial Noteholders**

(a) If a Note is not lodged with and settled through the Austraclear System, the person to be specified in the first entry in the Register in respect of the Note will be the first person to whom a Note Certificate is issued and whose details are specified in the application form (in such form as the Issuer and Registrar may approve in accordance with market practice at the relevant time) executed by that person and delivered to the Registrar by the Issuer.

(b) If a Note is lodged with and settled through the Austraclear System, the Note Certificate will be held by and the Note will be registered in the name of Austraclear as nominee for the Member (as defined in the Austraclear Regulations) in whose Security Record (as defined in the Austraclear Regulations) an interest in that Note is recorded.

2.7 **Minimum Subscription**

Unless otherwise specified in the Pricing Supplement, Notes will not be issued unless the minimum aggregate consideration payable to the Issuer by the initial Noteholder is at least A$500,000 (disregarding moneys lent by the offeror or its associates) or the offer otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Corporations Act 2001 (Cth).

2.8 **Creation of a Note for lodgement in the Austraclear System**

Where the Issuer proposes to issue a Note in respect of which Austraclear is to be recorded in the Register as the initial Noteholder and which Note is to be lodged in the Austraclear System, that Note may be created (without the receipt of any money) by Austraclear being so recorded and the Issuer or its nominee being the person in whose Securities Record (as defined in the Austraclear Regulations) that Note is recorded.

3. STATUS

3.1 **Status**

The Notes are direct, unsecured debt obligations of the Issuer which rank without preference or priority among themselves and at least pari passu with all other existing unsecured borrowings of the Issuer (except for debt mandatorily preferred by law).

3.2 General Revenue Fund

Payments of principal and interest in respect of the Notes will be a charge on and payable out of the General Revenue Fund of the Issuer.

4. TRANSFERS

4.1 Transfers in whole

Notes may be transferred in whole in the single denomination specified in the relevant Pricing Supplement and not in part.

4.2 Compliance with laws

Notes may only be transferred if:

(a) the offer or invitation giving rise to the transfer does not constitute an offer or invitation for which disclosure is required to be made to investors under Part 6D.2 of the Corporations Act 2001 (Cth);

(b) the transferee is not a "retail client", within the meaning of section 761G of the Corporations Act 2001 (Cth); and

(c) the transfer complies with any applicable law or directive of the jurisdiction where the transfer takes place.

4.3 Transfer procedures

Interests in Notes held in Austraclear are transferable only in accordance with the rules and regulations of Austraclear.

Application for the transfer of Notes (but not including interests in Notes held in Austraclear) must be made by the lodgment of a transfer form and the relevant Note Certificate held by the registered Noteholder as transferor with the Registrar at its specified office. Transfer forms must be in the form approved by and available from the Registrar. Each transfer form must be:

(a) duly completed;

(b) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly executed; and

(c) signed by, or on behalf of, the registered Noteholder as transferor and the transferee.

Transfers are registered without charge provided all applicable taxes in relation to the transfer have been paid. Following any transfer, a new Note Certificate must be promptly issued to the transferee without charge.

4.4 Effect of transfer

Upon registration and entry of the transferee in the Register the transferor ceases to be entitled to future benefits under these Terms and Conditions in respect of the

transferred Notes and the transferee becomes so entitled in accordance with Condition 2.3.

4.5 CHESS

Notes listed on the Australian Stock Exchange Limited (ABN 98 008 624 691) are not transferred through, or registered on, the Clearing House Electronic Subregister System operated by the Australian Stock Exchange and are not "Approved Financial Products" (as defined for the purposes of that system).

4.6 Austraclear as Noteholder

If Austraclear is recorded in the Register as the Noteholder, each person in whose Security Record (as defined in the Austraclear Regulations) an interest in a Note is recorded is taken to acknowledge in favour of the Issuer, the Registrar and Austraclear that:

(a) the Registrar's decision to act as the Registrar of that Note is not a recommendation or endorsement by the Registrar or Austraclear in relation to that Note, but only indicates that the Registrar considers that the holding of the Note is compatible with the performance by it of its obligations as Registrar under an Agency and Registry Services Agreement; and

(b) that person does not rely on any fact, matter or circumstance contrary to paragraph (a).

5. INTEREST

5.1 Interest bearing

Notes (except for Zero Coupon Notes and any relevant Structured Note) bear interest as specified in the Pricing Supplement and in accordance with this Condition 5.

5.2 Interest rate and accrual

(a) Notes specified in the Pricing Supplement as being interest bearing bear interest from their Interest Commencement Date on the Outstanding Principal Amount at the Interest Rate in accordance with the Day Count Fraction specified in the Pricing Supplement, and such interest is payable in arrears on each Interest Payment Date.

(b) The amount of interest payable on a Note (except for a Zero Coupon Note and any relevant Structured Note) for any period will be calculated by the Calculation Agent by multiplying the product of the Interest Rate and the Outstanding Principal Amount by the Day Count Fraction applicable to that period. All amounts in such calculations will be rounded to the nearest cent (with one half cent rounded up) and percentages will be rounded to the nearest fifth decimal place (with 0.000005 rounded to 0.00001), unless otherwise specified in the Pricing Supplement.

(c) Interest will cease to accrue on the date for maturity of a Note unless default is made in the payment of any principal amount in which case interest continues to accrue on the principal amount in respect of which payment has been

improperly withheld or refused or default has been made (after as well as before any demand or judgment) at the Interest Rate then applicable or such other rate as may be specified for this purpose in the Pricing Supplement until the date on which the relevant payment is made.

5.3 **Non-interest bearing Notes**

If any Redemption Amount or Early Redemption Amount in respect of any Note which is non-interest bearing is not paid when due, interest shall accrue on the overdue amount at a rate per annum (expressed as a percentage per annum) equal to the Amortisation Yield specified in, or determined in accordance with the provisions of, the Pricing Supplement or at such other rate as may be specified for this purpose in the Pricing Supplement until the date on which the relevant amount is paid.

If any Maximum Interest Rate or Minimum Interest Rate is specified in the relevant Pricing Supplement, then the Interest Rate will not in any event exceed the Maximum Interest Rate or be less than the Minimum Interest Rate so specified.

5.4 **Calculation Agent**

(a) On or before the relevant Record Time, the Calculation Agent must calculate any Early Redemption Amount, Redemption Amount or any other amount payable by the Issuer on each Payment Date.

(b) As soon as practicable after the relevant time on such date as these Terms and Conditions or the Pricing Supplement may require any quote to be obtained or any determination or calculation to be made by the Calculation Agent (including a determination of the Interest Rate in respect of the Notes for the relevant Interest Period or Interest Payment Date), the Calculation Agent will obtain such quote or make such determination or calculation.

(c) The Calculation Agent must cause the Interest Rate and resulting interest amount payable for each Interest Period or Interest Payment Date and, if required to be calculated, any Early Redemption Amount, Redemption Amount or other amount, to be notified to the Registrar, the Issuer, the Noteholders (upon request by such Noteholders to the Calculation Agent only) and (if the Notes are listed on any stock exchange) any relevant stock exchange as soon as practicable after their determination but in no event later than 5.00pm on the Business Day on which such calculation is made.

(d) The Calculation Agent must obtain relevant quotes from appropriate banks or reference agents or obtain information from such other sources as are specified in these Terms and Conditions or the Pricing Supplement or, failing which, as the Calculation Agent agrees with the Issuer. The calculations and determinations made by the Calculation Agent shall, in the absence of manifest error, be final and binding on the parties.

6. REDEMPTION AND PURCHASE

6.1 Redemption on maturity

Unless previously redeemed, purchased and cancelled in accordance with this Condition 6 or purchased and cancelled by the Issuer, each Note must be redeemed on its Maturity Date(s) at its Redemption Amount(s).

6.2 Early redemption for taxation reasons

The Issuer may redeem all (but not some) of the Notes of a Series in whole before their Maturity Date at the Redemption Amount and any interest accrued on it to (but excluding) the redemption date if the Issuer has been required under Condition 8.2, or will be required under Condition 8.2 on the next Interest Payment Date or date when a payment is due in respect of such Notes, to increase the amount of a payment in respect of the Notes as a result of any introduction of, change in, amendment to, or change in the official application of:

(a) any laws or regulations of Canada or any province, political subdivision or taxing authority therein or thereof (other than the Issuer); or

(b) any treaty or treaties affecting taxation to which Canada is a party, which introduction, change or amendment shall have become effective after the Issue Date.

However, the Issuer may only do so if:

(a) the Issuer has given at least 30 days' (and no more than 60 days') (or any other period specified in the Pricing Supplement) irrevocable notice of redemption to the Registrar, the Noteholders and any stock exchange or other relevant authority on which the Notes are listed specifying the redemption date;

(b) before the Issuer gives the notice under paragraph (a), the Registrar has received a certificate signed by two authorised representatives of the Issuer certifying that the Issuer would be required under Condition 8.2 to increase the amount of the next payment due in respect of the Notes;

(c) in the case of Fixed Rate Notes, no notice of redemption is given earlier than 90 days before the earliest date on which the Issuer would be obliged to pay Additional Amounts; and

(d) in the case of Floating Rate Notes and Structured Notes bearing a floating rate of interest:

(i) the proposed redemption date is an Interest Payment Date; and

(ii) no notice of redemption is given earlier than 60 days before the Interest Payment Date occurring on or immediately before the earliest date on which the Issuer would be obliged to pay Additional Amounts.

6.3 **Early termination at the option of the Issuer**

If this Condition 6.3 is specified in the relevant Pricing Supplement as being applicable then the Issuer, having given at least the minimum period (which must be no less than 30 days before the redemption date) (but not more than the maximum period (if any)) of notice specified in the relevant Pricing Supplement to the Registrar and Noteholders in accordance with Condition 11 (which notice must comply with the following paragraph and shall be irrevocable) and subject to satisfaction of any relevant conditions specified in the relevant Pricing Supplement, may redeem all (but not, unless and to the extent that the relevant Pricing Supplement specifies otherwise, some only) of the Notes on any Business Day (being, in the case of interest bearing Notes (unless otherwise specified in the relevant Pricing Supplement), an Interest Payment Date) at their early redemption amount applicable for calls by the Issuer (**Early Redemption Amount (Call)** (which is their Outstanding Principal Amount or such other Early Redemption Amount (Call) as is specified in, or determined in accordance with, the relevant Pricing Supplement) together with (unless otherwise specified in the relevant Pricing Supplement) accrued but unpaid interest (if any) on the Outstanding Principal Amount to the relevant redemption date.

The notice referred to in the preceding paragraph must specify:

(a) the Series of Notes subject to redemption;

(b) subject to the relevant Pricing Supplement specifying that a partial redemption is permissible, whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes of the relevant Series which are to be redeemed;

(c) the due date for redemption;

(d) the Early Redemption Amount (Call) at which such Notes are to be redeemed; and

(e) whether or not accrued interest is to be paid upon redemption and, if so, the amount thereof or the basis or method of calculation thereof, all as provided in the relevant Pricing Supplement.

In the case of a partial redemption of Notes, the Notes to be redeemed will be selected by the Registrar, and notice of the Notes selected for redemption will be given in accordance with Condition 11 not less than 15 days prior to the date fixed for redemption.

Any notice given under this Condition 6.3 is irrevocable and all Notes in respect of which any such notice is given shall be redeemed at the time specified in the notice.

6.4 **Early redemption at the option of Noteholders**

If this Condition 6.4 is specified in the relevant Pricing Supplement as being applicable then, at the option of the Noteholder and provided that any conditions to the exercise of such option as are specified in the relevant Pricing Supplement have been satisfied, the Issuer will redeem the Notes on any Business Day (being, in the case of an interest bearing Note (unless otherwise specified in the relevant Pricing Supplement) an Interest Payment Date) at its early redemption amount applicable for

puts (**Early Redemption Amount (Put)**) (which is its Outstanding Principal Amount or such other Early Redemption Amount (Put) as is specified in, or determined in accordance with, the relevant Pricing Supplement) together with (unless otherwise specified in the relevant Pricing Supplement) accrued interest (if any) on the Outstanding Principal Amount to the relevant redemption date.

To exercise such option, the Noteholder must complete, sign and deliver to the specified office of the Registrar not less than 30 days before the redemption date (or such other period as may be specified in the relevant Pricing Supplement), a redemption notice (in the form obtainable from the Registrar) together with the Note Certificate and such evidence as the Registrar may require to establish the rights of that Noteholder to the relevant Notes. Such redemption notice must specify an account in Australia to which the payment should be made or an address where a cheque for payment should be sent.

6.5 Mandatory Redemption Events

If a Mandatory Redemption Event(s) is specified in the relevant Pricing Supplement as being applicable, the Issuer will give notice to the Registrar and the Noteholders of the relevant Series of Notes in accordance with Condition 11 (such notice being irrevocable) of the occurrence of a Mandatory Redemption Event and such Notes shall be redeemed in whole (but not in part) on the date determined in accordance with the Pricing Supplement (the **Mandatory Redemption Date**) and at the Redemption Amount specified in, or determined in accordance with, the applicable Pricing Supplement together, if appropriate, with any interest accrued and unpaid to (and including) the relevant Mandatory Redemption Date.

6.6 Purchase of Notes by the Issuer

The Issuer may at any time purchase Notes in the open market or otherwise and at any price by tender to all or some only of the Noteholders or by private agreement. All Notes purchased in accordance with this Condition must be cancelled immediately by the Issuer and may not be reissued or resold and the obligations of the Issuer in connection with those Notes are discharged on their cancellation. This Condition does not prohibit the Issuer from issuing new Notes.

7. PAYMENTS

7.1 Accounts specified as at the Record Time

(a) Payments under a Note will be made by crediting on the Interest Payment Date, in the case of payments of interest, or on the due date for redemption or repayment, in the case of payments of principal, the amount then due, to the account (held in Australia) specified to the Registrar by the Noteholder (or, in respect of a Note lodged within the Austraclear System, to the account specified in accordance with the Austraclear Regulations) in respect of the Note as at the Record Time.

(b) If in respect of a Note an account is not specified to the Registrar by the Record Time, payments under the Note will be made by cheque (drawn on a bank in Australia), mailed on the Business Day before the Interest Payment Date in the case of payments of interest, or on the due date for redemption or

repayment in the case of payments of principal, at the Noteholder's risk, to the address specified in the Register in respect of the Note as at the Record Time. A cheque sent in this manner will be deemed to have been received by the Noteholder on the Interest Payment Date in the case of payments of interest, or on a due date for redemption or repayment, in the case of payments of principal, and no further amount will be payable under the Note as a result of the cheque not being received by the Noteholder on the due date.

7.2 **Payments to the Registrar**

Unless otherwise agreed between the Issuer and the Registrar, the Issuer must pay amounts due under each Note to a bank account in Sydney in the name of the Issuer operated by the Registrar on behalf of the Issuer. Upon such payment by the relevant Issuer, such amounts will be available for payment to Noteholders. If a Note is lodged in the Austraclear System, payment must be made in a manner that is consistent with the Austraclear Regulations.

7.3 **Payment constitutes release**

A payment made by, or on behalf of, the Issuer to the Registrar in respect of an amount due under a Note constitutes for all purposes an absolute and unconditional release and discharge of the Issuer, to the extent of such payment, of all obligations and indebtedness in respect of the Note in relation to which such payment is made.

7.4 **Business Days**

(a) Payments under a Note must be made on a Business Day. If a day on which payment is due under a Note is not a Business Day, the payment must be made on the Business Day which is determined by applying the Business Day Convention.

(b) If a payment is to be made to an account on a Business Day on which banks are not open for general banking business in the place in which the account is located the Noteholder is not entitled to any additional interest or other payment in respect of any delay in receiving payment as a consequence of banks not being open for general banking business in that place on that day.

7.5 **Joint Holders**

When a Note is held by two or more persons, payment will be made to the joint holders in their joint names unless otherwise requested by the joint holders.

7.6 **Currency Indemnity**

The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if a Noteholder receives an amount in a currency other than that in which it is due:

(a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate. It may deduct its usual costs in connection with the conversion; and

(b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion after deducting the costs of the conversion.

8. TAXATION

8.1 No deduction for Canadian taxes

All payments by the Issuer in respect of principal of or interest on the Notes, or additional amounts payable under Condition 8.2(b), will be made in full without any withholding or deduction in respect of present taxes imposed by or within Canada or any province, territory or political subdivision thereof.

8.2 Withholding tax

Subject to Condition 8.3, if, as a result of any introduction of, change in, amendment to, or change in the official application of:

(a) any laws or regulations of Canada or any province, territory or political subdivision thereof (including the Issuer); or

(b) any treaty affecting taxation to which Canada is a party,

the Issuer shall be required to deduct or withhold any taxes from any payments in respect of principal of or interest on a Note, or additional amounts payable under this Condition 8.2, the Issuer will pay such additional amounts so that, after making the deduction or withholding, and any further such deductions or withholding applicable to additional amounts payable under this Condition 8.2, the Noteholder will receive at the time the payment is due the amount of the payment in respect of principal or interest that it would have received if no such deduction or withholding had been required to be made.

8.3 Withholding tax exemptions

The Issuer shall not be required to pay an additional amount under Condition 8.2:

(a) if the deduction or withholding is required by reason of the Note being physically situated in Canada even if the Noteholder is a non-resident of Canada;

(b) if the deduction or withholding is required by reason of the Noteholder having some connection with Canada other than the mere holding or ownership of the Note;

(c) if the deduction or withholding would not be required if the Noteholder:

(i) provided the Issuer, its agent or any tax authority with their name, address, registration number or similar details, or any relevant tax exemption or similar details; or

(ii) complied with any other statutory requirements (such as making a declaration of non-residence or similar claim) for any relevant tax

exemption, or ensured that any related third party or third party acting on behalf of the Noteholder did so;

(d) if the Note is presented for payment more than 30 days after the Relevant Date, except to the extent that the Noteholder would have been entitled to such additional amounts on presenting the Note for payment on such thirtieth date. "**Relevant Date**" means the later of :

(i) the date on which such payment first becomes due, and

(ii) if the full amount of the moneys for such payment has not been received by the Registrar on or prior to such due date, the date on which such moneys shall have been received and notice to that effect shall have been duly published, provided such payment is in fact made upon presentation of the Note; or

(e) in any other circumstance specified in the Pricing Supplement.

9. EVENTS OF DEFAULT

An Event of Default occurs in relation to a Series of Notes if:

(a) the Issuer shall fail to pay the principal of any of the Notes for a period of 15 days after the date when due;

(b) the Issuer shall fail to pay any interest on any of the Notes for a period of 30 days after the date when due; or

(c) the Issuer shall fail duly to perform or observe any other term, covenant or agreement contained in any of the Notes for a period of 30 days following the service on the Issuer of notice of such failure requiring the same to be remedied.

9.2 Consequences of an Event of Default

If an Event of Default occurs and continues unremedied in relation to the Notes of any Series, then a Noteholder of that Series may declare by notice to the Issuer (with a copy to the Registrar) that each Note of that Series held by it is to be redeemed at its Redemption Amount (together with any accrued interest) in which case those amounts become immediately due and payable.

9.3 Notification

If an Event of Default occurs in relation to a Series of Notes, the Issuer must promptly after becoming aware of it notify the Registrar of the occurrence of the Event of Default (specifying details of it) and use its reasonable endeavours to ensure that the Registrar immediately notifies Noteholders, the Calculation Agent and any stock exchange or other relevant authority on which the Series of Notes are listed of the occurrence of the Event of Default.

10. TIME LIMIT FOR CLAIMS

A claim against the Issuer for payment under a Note is void unless made within 2 years from the date the amount claimed first became due.

11. NOTICES

11.1 Notices to the Issuer or Registrar

A notice or other communication to the Issuer or the Registrar in connection with a Note must be in writing addressed as follows:

(a) if to the Issuer, to:

Address: Province of Saskatchewan
Department of Finance
Treasury and Debt Management Division
Room 619
2350 Albert Street
Regina SK
CANADA
S4P 4A6

Facsimile No: +1 306 787-8493

Attention: Executive Director, Capital Markets Branch

(b) if to the Registrar, to:

Address: 30 Grosvenor Street, Sydney NSW 2000 Australia

Facsimile No: +61 2 9256 0116

Attention: Manager, Agency and Registry Services

or to such other address or facsimile number as may be notified by the Issuer or the Registrar, as the case may be, to the other and to the Noteholders.

11.2 Notices to Noteholders

A notice or other communication to a Noteholder in connection with a Note must be in writing and may be given by:

(a) an advertisement published in The Australian Financial Review or any other leading daily newspaper or newspapers circulating in Australia generally;

(b) if an additional or alternate newspaper is specified in the relevant Pricing Supplement, that newspaper;

(c) prepaid post (airmail if posted to or from a place outside Australia) or delivery to the address of the Noteholder as shown in the Register at 5.00pm (local time in the place where the Register is kept) 3 Business Days prior to the dispatch of the relevant notice or communication; or

(d) facsimile to the facsimile number of the Noteholder as last notified to the Registrar prior to 5.00pm (local time in the place where the Register is kept) 3 Business Days prior to the dispatch of the relevant notice or communication.

11.3 Effective receipt of notice

A notice or other communication is regarded as given and received:

(a) if it is published in a newspaper, on the date of such publication;

(b) if it is delivered or sent by fax:

(i) by 5.00 pm (local time in the place of receipt) on a Business Day - on that day; or

(ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day - on the next Business Day,

provided that, in the case of a fax, the machine from which it is sent produces a report that states that it was sent in full, unless the recipient has notified the sender that it has not received all pages in legible form; and

(c) if it is sent by mail:

(i) within Australia – 3 Business Days after posting; or

(ii) to or from a place outside Australia – 7 Business Days after posting.

12. MEETINGS AND VARIATIONS

12.1 Meetings

Meetings of Noteholders may be convened in accordance with the Meeting Rules to consider matters affecting the interests of Noteholders, including, without limitation, the variation of these Terms and Conditions and the granting of any approval, consent or waiver.

12.2 Variations without consent

The Deed Poll and Terms and Conditions may be amended by the Issuer without the consent of the Noteholders if the amendment:

(a) is of a formal, minor or technical nature;

(b) is made to correct a manifest error;

(c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision and, in the reasonable opinion of the Issuer, is not materially prejudicial to the interests of the Noteholders; or

(d) only applies to Notes issued by it after the date of amendment.

12.3 **Variations with consent**

These Terms and Conditions may otherwise be varied by the Issuer with the approval of the Noteholders pursuant to a resolution of Noteholders passed in accordance with the Meeting Rules.

12.4 **Variation to Deed Poll**

A variation to the Deed Poll will not be effective until a supplemental deed is executed by the Issuer in relation to the variation.

12.5 **Effect of Variation**

A variation will be effective with respect to all current and subsequent Noteholders.

13. REGISTRAR

(a) In acting under the Agency and Registry Services Agreement in connection with the Notes, the Registrar acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders except that the funds received by the Registrar shall, pending their application in accordance with the Agency and Registry Services Agreement, be held on trust for the persons entitled thereto.

(b) Subject to the Agency and Registry Services Agreement, the Issuer may vary or terminate the appointment of the Registrar and appoint another Registrar provided that the Issuer must at all times maintain the appointment of a registrar with its specified office in Australia. If the Issuer does so, it must notify the Noteholders.

(c) Notice of any such termination of appointment will be given to the Noteholders within 7 Business Days from the date of that termination in accordance with Condition 11.

14. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders create and issue further Notes having the same Terms and Conditions as any outstanding Note(s) (subject to consequential variations to any definitions), which may form a single Series with any outstanding Notes.

15. GOVERNING LAW AND JURISDICTION

15.1 **Governing law**

The Notes are governed by the law in force in New South Wales.

15.2 **Jurisdiction**

The Issuer submits to the non-exclusive jurisdiction of the courts of New South Wales and any court that may hear appeals from any of those courts, for any proceedings in connection with these Terms and Conditions, and waives any right it may have to claim those courts are an inconvenient forum.

15.3 **Service of process**

Without preventing any other mode of service, any document in an action in the courts of New South Wales or courts of appeal from them (including, without limitation, any writ of summons or other originating process or any third or other party notice) may be served on the Issuer by being delivered to or left for the Issuer with its process agent referred to in Condition 15.4.

15.4 **Agent for service of process**

The Issuer appoints the Consul-General and Senior Trade Commissioner of the Consulate-General of Canada in Sydney as those positions are filled from time to time, severally, to receive any document referred to in Condition 15.3. If for any reason such appointment terminates, the Issuer must immediately appoint another person with an office located in the Commonwealth of Australia to receive any such document and give notice of such appointment to the Registrar and the Noteholders.

FORM OF NOTE CERTIFICATE

UNLESS THIS NOTE CERTIFICATE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE PERSON RECORDED IN THE REGISTER AS SPECIFIED BELOW ("**NOTEHOLDER**") TO THE PROVINCE OF SASKATCHEWAN OR ITS REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF THE NOTEHOLDER OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF THE NOTEHOLDER, ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE CERTIFICATE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE NOTEHOLDER HAS AN INTEREST IN THE NOTES REPRESENTED BY THIS NOTE CERTIFICATE. THE PROVINCE OF SASKATCHEWAN AND ITS REGISTRAR WILL TREAT THE NOTEHOLDER AS THE ABSOLUTE OWNER OF THE NOTES SPECIFIED IN THIS NOTE CERTIFICATE.

Series Number
Tranche Number
Serial Number

PROVINCE OF SASKATCHEWAN

Australian Medium Term Note Programme

Note Certificate

issued in respect of

[Principal Amount] [Interest Rate]% Series [Series Letters] Notes due [Maturity Date]

This Note Certificate is issued in respect of an issue of [aggregate principal amount of Tranche] in aggregate principal amount of [description of notes] ("**Notes**") by the Province of Saskatchewan.

THE PROVINCE OF SASKATCHEWAN, for value received, promises to pay to

[NAME, ABN (IF APPLICABLE] AND ADDRESS OF NOTEHOLDER] *

the principal sum of

[PRINCIPAL AMOUNT REPRESENTED BY THIS NOTE CERTIFICATE]

in lawful money of Australia and interest thereon upon presentation and surrender of this Note Certificate at the office of the Province of Saskatchewan's registrar in the City of Sydney as specified in the Terms and Conditions of the Notes being set out in Annexure A to the Deed Poll dated 4 May 2006 executed by the Province of Saskatchewan (as supplemented, amended

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* Notes lodged in the Austraclear System will be registered in the name of Austraclear Limited (ABN 94 002 060 773).

or replaced from time to time including, without limitation, pursuant to the Pricing Supplement dated [•]) ("**Conditions**").

Unless this Note Certificate has been authenticated by the Registrar referred to below by manual signature of its authorised signing officer, the person named in this Note Certificate is not entitled to any benefit under the Conditions or otherwise and this Note Certificate is not valid or obligatory for any purpose.

This Note Certificate is issued pursuant to *The Financial Administration Act, 1993*.

IN WITNESS WHEREOF THE PROVINCE OF SASKATCHEWAN has caused this Note Certificate to be signed by the manual or facsimile signature of its duly Authorised Officer and the seal of The Department of Finance to be affixed hereto.

DATED this [date] day of [month], [year]

PROVINCE OF SASKATCHEWAN

By:
[Authorised Officer]

Authenticated by:
[Austraclear Services Limited]
as Registrar

By:
Authorised Signing Officer

FORM OF PRICING SUPPLEMENT

The Pricing Supplement that will be issued in respect of each Tranche will be substantially in the form set out below.

Series No.: [ ]

Tranche No.: [ ]

Province of Saskatchewan

Australian Medium Term Note Programme

Pricing Supplement

Issue of

[Aggregate Principal Amount of Tranche]

[Title of Notes]

PLEASE NOTE THAT SALE OF THE NOTES SET OUT BELOW MAY BE SUBJECT TO SELLING RESTRICTIONS - PLEASE REFER TO THE INFORMATION MEMORANDUM IN RELATION TO THE ABOVE PROGRAMME AND TO ANY SPECIFIC SELLING RESTRICTIONS IN THIS PRICING SUPPLEMENT.

This Pricing Supplement (as referred to in the Information Memorandum in relation to the above Programme) relates to the Tranche of Notes referred to above. The particulars to be specified in relation to such Tranche are as follows:

1	Issuer:	Province of Saskatchewan
2	Arranger:	Royal Bank of Canada ABN 86 076 940 880
3	Dealers:	Royal Bank of Canada ABN 86 076 940 880 The Toronto-Dominion Bank ABN 74 082 818 175
4	Aggregate principal amount of Tranche:	[Specify]
5	If interchangeable with existing Series:	[Specify]
6	Issue Date:	[Specify]
7	Issue Price:	[Specify]
8	Settlement Price:	[Specify]
9	Denomination(s):	[Specify] (subject to an initial consideration of A$500,000)
10	Tenor:	[Specify]
11	Type of Issue:	[Non-Private Placement/Private Placement]
12	Type of Note:	[Fixed Rate Notes] [Floating Rate Notes] [Indexed Notes] [Structured Note] [Zero Coupon Notes]
13.	Status of Note:	[Senior Note/Subordinated Note]
14	Interest:	[Interest-bearing/non interest-bearing]
	(a) If interest bearing:	
	(i) Interest Rate(s):	[Specify rate (if fixed) or full determination provisions (if floating)]
	(ii) Interest Commencement Date, if not Issue Date:	[Specify]

	(iii) Interest Payment Dates:	[Specify]
	(iv) Day Count Fraction:	[Specify]
	(v) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Modified Business Day Convention/Preceding Business Day Convention]
	(vi) Margin:	[Specify] (state whether positive or negative)
	(vii) Maximum Interest Rate:	[Specify}
	(viii) Minimum Interest Rate:	[Specify]
	(ix) Rate of interest on each overdue amount:	[Specify]
(b)	If non interest-bearing:	
	(i) Amortisation Yield:	[Specify]
	(ii) Day Count Fraction:	[Specify]
	(iii) Rate of interest on overdue amount:	[Specify]
15	Relevant Financial Centre:	[Specify if other than Sydney]
16	Maturity Date:	[Specify date or relevant provision if not a fixed maturity date]
17	Redemption Amount:	[Specify, if not the Outstanding Principal Amount]
18	Call Option:	[Applicable/Not Applicable]
(a)	Early Redemption Date(s):	[Specify]
(b)	Early Redemption Amount(s):	[Specify]
(c)	If Redeemable in part:	
	(i) Minimum Redemption Amount:	[Specify]

	(ii) Maximum Redemption Amount:	[Specify]
19	Put Option:	[Applicable/Not Applicable]
	(a) Early Redemption Date(s):	[Specify]
	(b) Early Redemption Amount(s):	[Specify]
	(c) Notice Period	[Specify]
20	Mandatory Redemption Event(s)	[Specify]
	Mandatory Redemption Date:	[Specify date or method by which it is determined.]
21	Other Relevant Terms and Conditions:	[Specify if any, eg. under Condition 8.3(c)]
22	Additional Selling Restrictions:	[ ]
23	Calculation Agent:	[Specify]
24	Listing	[Yes/No] [If yes, specify relevant stock exchange(s)]
25	ISIN	[Specify]
26	Common Code	[Specify]

CONFIRMED

By: ..... By: .....

Name *Name*

Authorised Representatives of Province of Saskatchewan

Date: .....

SELLING RESTRICTIONS

*Under the Dealer Agreement dated 4 May 2006 between the Issuer, the Arranger and the Dealers (as amended and supplemented from time to time, "**Dealer Agreement**"), the Notes will be offered by the Issuer through the Dealers. The Issuer has the sole right to accept any offer to purchase Notes and may reject that offer in whole or (subject to the terms of the offer) in part. Each Dealer has the right to reject any offer to purchase Notes made to it in whole or (subject to the terms of such offer) in part. The Issuer is entitled under the Dealer Agreement to appoint one or more Dealers as a dealer for a particular Tranche of Notes or the Programme generally.*

Each Dealer has agreed under the Dealer Agreement to comply with any applicable law or directive in any jurisdiction in which it may subscribe for, offer, sell, or transfer Notes and to not directly or indirectly subscribe for, offer, sell or transfer Notes or distribute any Information Memorandum or other offering material in relation to the Notes in any jurisdiction, except in circumstances that will result in compliance by the Dealer with any applicable law.

Neither the Issuer nor any Dealer has represented that any Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or in accordance with any available exemption, or assumes any responsibility for facilitating that sale.

The following selling restrictions apply:

1. **General**

   No action has been taken in any jurisdiction that would permit a public offering of the Notes or possession or distribution of the Information Memorandum or other offering material in any country or jurisdiction where action for that purpose is required.

   Persons into whose hands this Information Memorandum comes are required by the Issuer and Dealers to comply with any applicable law and directive in each jurisdiction in which they purchase, offer, sell or deliver Notes or have in their possession or distribute or publish this Information Memorandum or other offering material and to obtain any authorisation required by them for the purchase, offer, sale or delivery by them of any Notes under any applicable law or directive in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales or deliveries, in all cases at their own expense, and neither the Issuer nor any Dealer has responsibility for such matters.

   In these selling restrictions, "directive" includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply.

2. **Australia**

   No prospectus or other disclosure document (as defined in the *Corporations Act*) in relation to the Programme or any Notes has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**"). Each Dealer has represented and

agreed and each further Dealer appointed under the Programme will be required to represent and agree that, unless the relevant Pricing Supplement (or another supplement to any Information Memorandum) otherwise provides, it:

(a) has not made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, any Information Memorandum or other offering material or advertisement relating to any Notes in Australia,

unless (i) the aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in an alternate currency) (disregarding moneys lent by the offeror or its associates) or the offer otherwise does not require disclosure to investors under Part 6D.2 of the *Corporations Act*, (ii) such action complies with applicable laws and directives and (iii) such action does not require any document to be lodged with ASIC.

3. **Canada**

Each Dealer has represented and agreed that it will not offer any Notes, directly or indirectly, in Canada or to persons it has any reason to believe are residents of Canada in contravention of the securities laws of any province or territory in Canada.

4. **United States of America**

The Notes have not been and will not be registered under the *Securities Act* or any state securities law and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the *Securities Act*. Each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, any Notes constituting part of its distribution, except in accordance with Rule 903 of Regulation S under the *Securities Act*.

Accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that neither it, nor any of its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts in the United States with respect to the Notes, and that it and they have complied with and will comply with the offering restrictions requirement of Regulation S.

Each Dealer has also represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it and each of its affiliates has not entered and will not enter into any contractual arrangement with respect to the distribution of the Notes in the United States except with the prior written consent of the Issuer.

In addition, until 40 days after the completion of the offering of any Series or Notes, an offer or sale of Notes of such Series within the United States by a dealer (whether or not it is participating in the offering), may violate the registration requirements of the *Securities Act*.

Indexed Notes and Dual Currency Notes

Each issue of Indexed Notes and Dual Currency Notes will be subject to additional U.S. selling restrictions agreed between the Issuer and the relevant Dealer as a term of the issue and purchase of such Notes which are set out in the relevant Pricing Supplement. Each relevant Dealer will be required to agree that it will offer, sell or deliver those Notes only in compliance with those additional U.S. selling restrictions.

5. **United Kingdom**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) **(investment advertisements)** it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the UK *Financial Services and Markets Act 2000* ("**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) **(general compliance)** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

6. **Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent) or (ii) in circumstances which do not constitute an offer to the public within the meaning of the *Companies Ordinance* (Cap. 32 of the Laws of Hong Kong) ("**CO**"), or (iii) to "professional investors" within the meaning of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("**SFO**") and any rules made under the SFO, or (iv) in other circumstances which do not result in the document being a "prospectus" within the meaning of the CO; and

(b) it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation, information memorandum or other offering material or other document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

7. **Japan**

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan ("**Securities and Exchange Law**") and, accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to a Japanese Person, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws and regulations of Japan. For the purposes of this paragraph, "Japanese Person" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

8. **New Zealand**

The Issuer does not intend that the Notes be offered for sale or subscription to the public in New Zealand in terms of the *Securities Act 1978* of New Zealand. Accordingly, no person may subscribe for, offer, sell or deliver any Notes or distribute any Information Memorandum, advertisement or offering material relating to the Notes in breach of the *Securities Act 1978* of New Zealand and, in particular, no person may sell or offer for sale Notes to any member of the public in New Zealand in breach of the *Securities Act 1978* of New Zealand.

9. **Singapore**

The following selling restriction applies prior to the coming into force of the amendments to Part XIII of the Securities and Futures Act (Cap. 289) (as amended) of Singapore ("**SFA**") (to be amended by the Securities and Futures (Amendment) Act 2005 of Singapore).

No term sheet, prospectus or other issue documentation relating to the Notes has been registered as a prospectus with the Monetary Authority of Singapore under the SFA. Accordingly, the Notes have not been, and will not be, offered or sold or made the subject of an invitation for subscription or purchase nor may the term sheets, global securities or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Notes be circulated or distributed, whether directly or indirectly, to the public or any member of the public in Singapore other than:

(a) to an institutional investor or other person falling within section 274 of the SFA; or

(b) to a sophisticated investor (as defined in section 275 of the SFA) and in accordance with the conditions specified in Section 275 of the SFA; or

(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

The following selling restriction applies subsequent to the coming into force of the amendments to Part XIII of the SFA (as amended by the Securities and Futures (Amendment) Act 2005 of Singapore).

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes has not been and will not be circulated or distributed by it nor have the Notes been, nor will the Notes be, offered or sold by it, or be made the subject of an invitation for subscription or purchase by it, whether directly or indirectly, to persons in Singapore other than:

(a) to an institutional investor under Section 274 of the SFA;

(b) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; or

(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

10. **European Economic Area**

In relation to each Member State of the European Economic Area (being the countries in the European Union plus Iceland, Norway and Liechtenstein) which has implemented the EU Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State ("**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

(a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, and end on the date which is 12 months after the date of such publication;

(b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more that EUR43,000,000 and (3) an annual net turnover of more than EUR50,000,000 all as shown in its last annual or consolidated accounts; or

(d) at any time any other circumstances which do not require the publication by the Issuer of an prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any

form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

11. **Variation**

These selling restrictions may be changed by the Issuer after consultation with the Dealers following a change in any law or directive or in its interpretation or administration by an authority or the introduction of a new law or directive. Any change will be set out in the Pricing Supplement issued in respect of the Notes to which it relates (or in another supplement to this Information Memorandum).

CANADIAN INCOME TAX CONSIDERATIONS

In the respective opinions of Canadian legal adviser for the Issuer, the following summary describes the principal Canadian federal income tax considerations generally applicable to a Noteholder who, for the purposes of the *Income Tax Act* (Canada) ("**Canadian Tax Act**"), and at all relevant times, is not resident and is not deemed to be resident in Canada and who does not use or hold and is not deemed to use or to hold the Notes in or in the course of carrying on a business in Canada and is not an insurer carrying on an Insurance business in Canada and elsewhere (a "**Non-resident Noteholder**").

This summary is based upon the provisions of the Canadian Tax Act in force on the date hereof and the regulations thereunder ("**Regulations**"), proposed amendments to the Canadian Tax Act and the Regulations in the form publicly announced prior to the date hereof by the Minister of Finance for Canada and the current administrative and assessing practices and policies published by the Canada Revenue Agency. This summary does not take into account or anticipate any other changes in law, whether by legislative, governmental or judicial action, nor does it take into account any income tax considerations arising from the laws of any province or territory or any other country or any income tax convention between Canada and another country. No assurances can be given that changes in law or administrative practices or future court decisions will not affect the tax treatment of a Non-resident Noteholder.

This summary is of a general nature only, is not exhaustive of all Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Non-resident Noteholder. Non-resident Noteholders are advised to consult their own tax advisers with respect to their particular circumstances.

The Issuer is not required to withhold tax from interest or principal paid or credited by it in respect of the Notes to a Non-resident Noteholder unless all or any portion of the interest, or of any amount deemed by the Canadian Tax Act to be interest, payable on the Notes (other than any such interest or deemed interest payable on a prescribed obligation as described below) is contingent or dependent upon the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any similar criterion or by reference to dividends paid or payable to shareholders of any class of shares of a corporation. A "prescribed obligation" for these purposes is a debt obligation the terms or conditions of which provide for an adjustment to the amount payable in respect of the obligation for a period during which the obligation was outstanding which adjustment is determined by reference to a change in the purchasing power of money and no amount payable in respect thereof, other than such adjusted amount determined by reference to a change in the purchasing power of money, is contingent or dependent upon or is computed by reference to any of the criteria described in the previous sentence.

Generally, there are no other taxes on income (including taxable capital gains) payable in respect of a Note or interest thereon by a Non-resident Noteholder.

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